



**STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097**

Board of Land and
Natural Resources
State of Hawaii
Honolulu, Hawaii

Amendment No.1 to Concession Agreement No. DOT-A-05-0009
Retail Concession at Hilo International Airport and
Kona International Airport at Keahole

HAWAII

The Department of Transportation (DOT) proposed to amend the existing Retail Concession Agreement (DOT-A-05-0009) at Hilo International Airport and Kona International Airport at Keahole. The following contains a description and summary of some of the major terms that DOT anticipates incorporating into the Amendment:

PURPOSE:

To amend the existing Retail Concession Agreement at Kona International Airport at Keahole to allow for additional retail spaces to service airport travelers. Under Article III (Premises) of the Concession Agreement, the specific area assigned or provided for the concession may be changed at the discretion of the Director of Transportation.

APPLICANT:

Travel Traders of Hawaii, Inc., whose business address is 6205 Lagoon Drive, Suite 550,
Miami, Florida 33126

LEGAL REFERENCE:

Chapter 102, Hawaii Revised Statutes, as amended

LOCATION AND TAX MAP KEY:

Kona International Airport at Keahole, Tax Map Key: 3rd Division 7-3-43: 1 (portion)

Approved by the Board
at its meeting held on

ZONING:

State Land Use District: Urban
County of Hawaii: Airport

LAND TITLE STATUS:

Section 5(b) lands of the Hawaii Admissions Act: Ceded
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: Yes ___ No X

TERM:

To run for the balance of the term of the existing Concession Agreement, which expires on August 31, 2010.

PREMISES:

Kona International Airport at Keahole:

Existing spaces at commencement of the Concession Agreement:

1. Main Terminal, Building 361, Space No. 102, containing a total of approximately 803 square feet; and
2. Main Terminal, Building 362, Space No. 102, containing a total of approximately 804 square feet.

Additional spaces:

1. Building 345, Space No. 102, containing an area of approximately 234 square feet as shown on the attached Exhibit D-1, dated July 2006; and
2. Building 366, Space Nos. 102 and 103, each containing approximately 174 square feet or a total combined area of approximately 348 square feet shown on the attached Exhibit E-1, dated July 2006.

ANNUAL FEE:

Concession Fee. The Minimum Annual Guaranteed (MAG) fee provision of Article VI.A.1.a. (Concession Fee) shall not change by the increase in total area occupied by the applicant due to the inclusion of the additional spaces. All revenue generated from the additional spaces shall be reported as gross receipts under the Concession Agreement.

Floor Rental. In accordance with Article VI.C.1. (Rental), the applicant shall pay a floor rental in the amount of \$17,460.00 per annum which is equal to the square footage of the additional premises multiplied by \$30.00 per square foot per annum which is the rate for retail sales space at Kona International Airport at Keahole.

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

Pursuant to Section 11-200-8 (a), Environmental Impact Statement Rules of the Department of Health, State of Hawaii, this disposition is exempt from requirements regarding preparation of an environmental assessment, negative declaration, or environmental impact statement as required by Chapter 343, Hawaii Revised Statutes, as amended, relating to Environmental Impact Statements because the proposed action falls within Exemption Class #3, Comprehensive Exemption List for the State of Hawaii, Department of Transportation, amended November 15, 2000, as reviewed and concurred in Docket 92-EX-01, by the Environmental Council. Exemption Class #3 covers the construction and location of single, new, small facilities or structures and the alteration and modification of same and installation of new, small, equipment and facilities and the alteration and modification of same.

REMARKS:


The DOT and the applicant entered into Concession Agreement No. DOT-A-05-0009, dated October 24, 2005, for the Retail Concessions at the Hilo International Airport and Kona International Airport at Keahole. The applicant finds that additional retail space will allow the applicant to better serve the traveling public.

RECOMMENDATION:


The Board authorize the Department of Transportation to amend the existing Concession Agreement (DOT-A-05-0009) subject to: 1) terms and conditions herein outlined, which are by reference incorporated herein; 2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interest of the State; and 3) review and approval by the Department of the Attorney General.

Respectfully submitted,

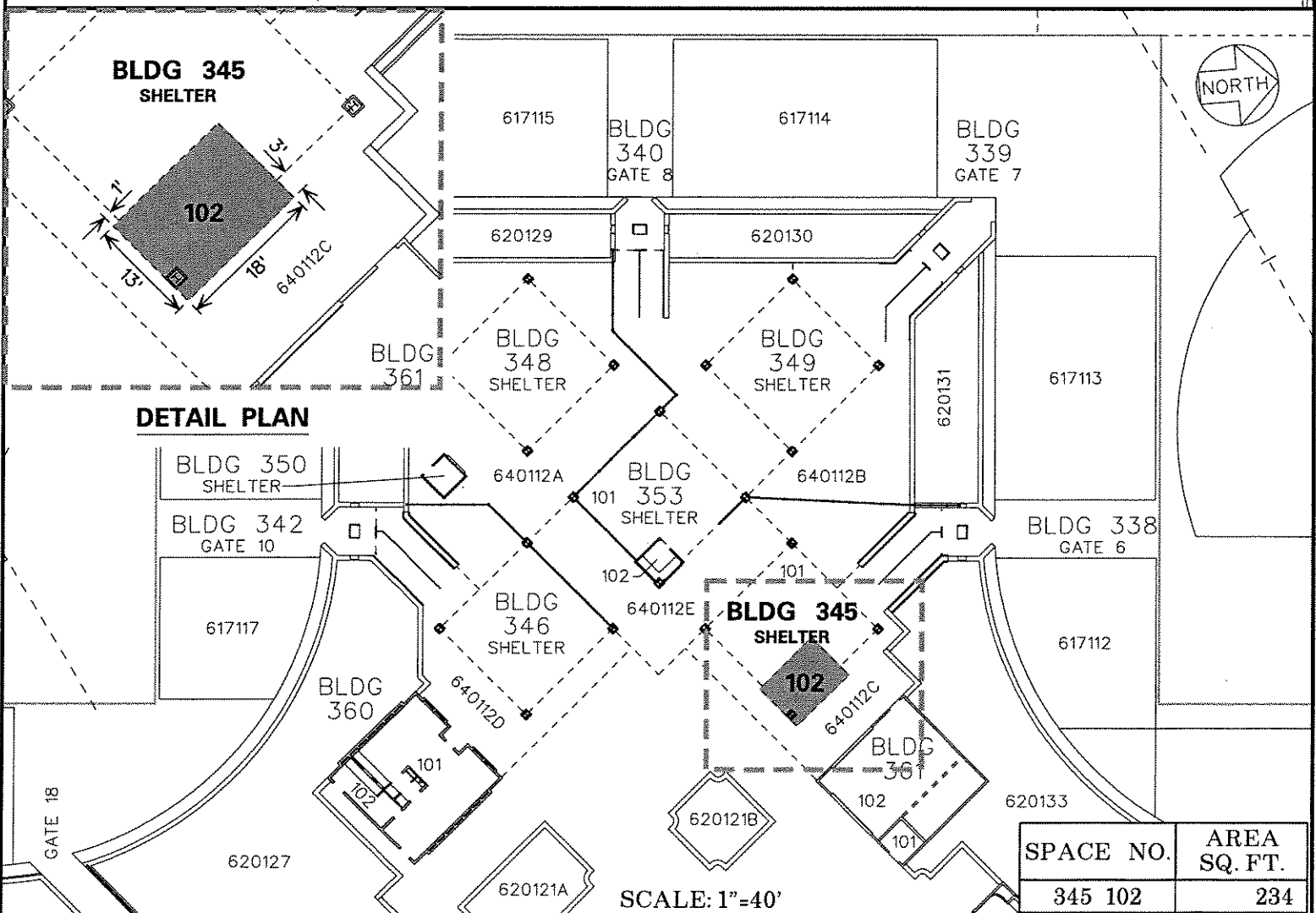
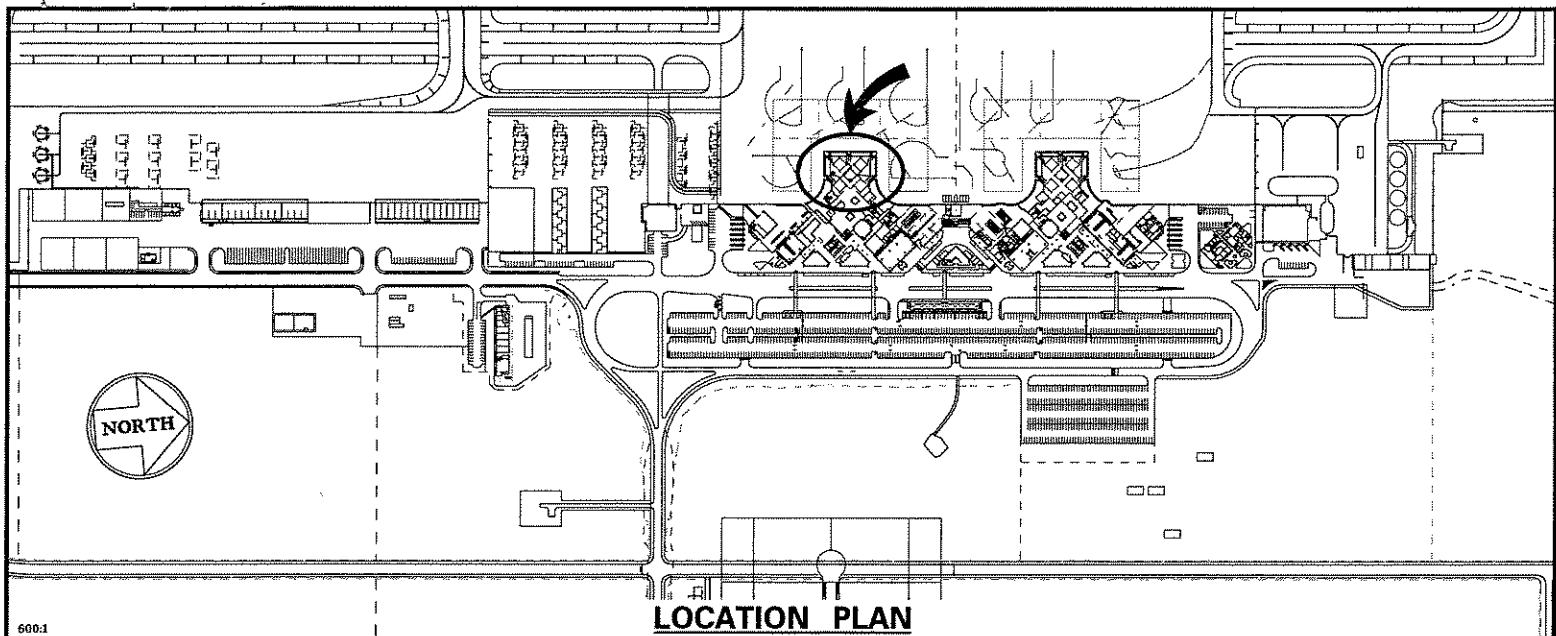
APPROVED FOR SUBMITTAL:



RODNEY K. HARAGA
Director of Transportation



PETER T. YOUNG
Chairperson and Member



LEASE NO. DOT-A-05-0009

DATE: JULY 2006

EXHIBIT: **D-1**



Airports Division

TRAVEL TRADERS OF
HAWAII, INC.

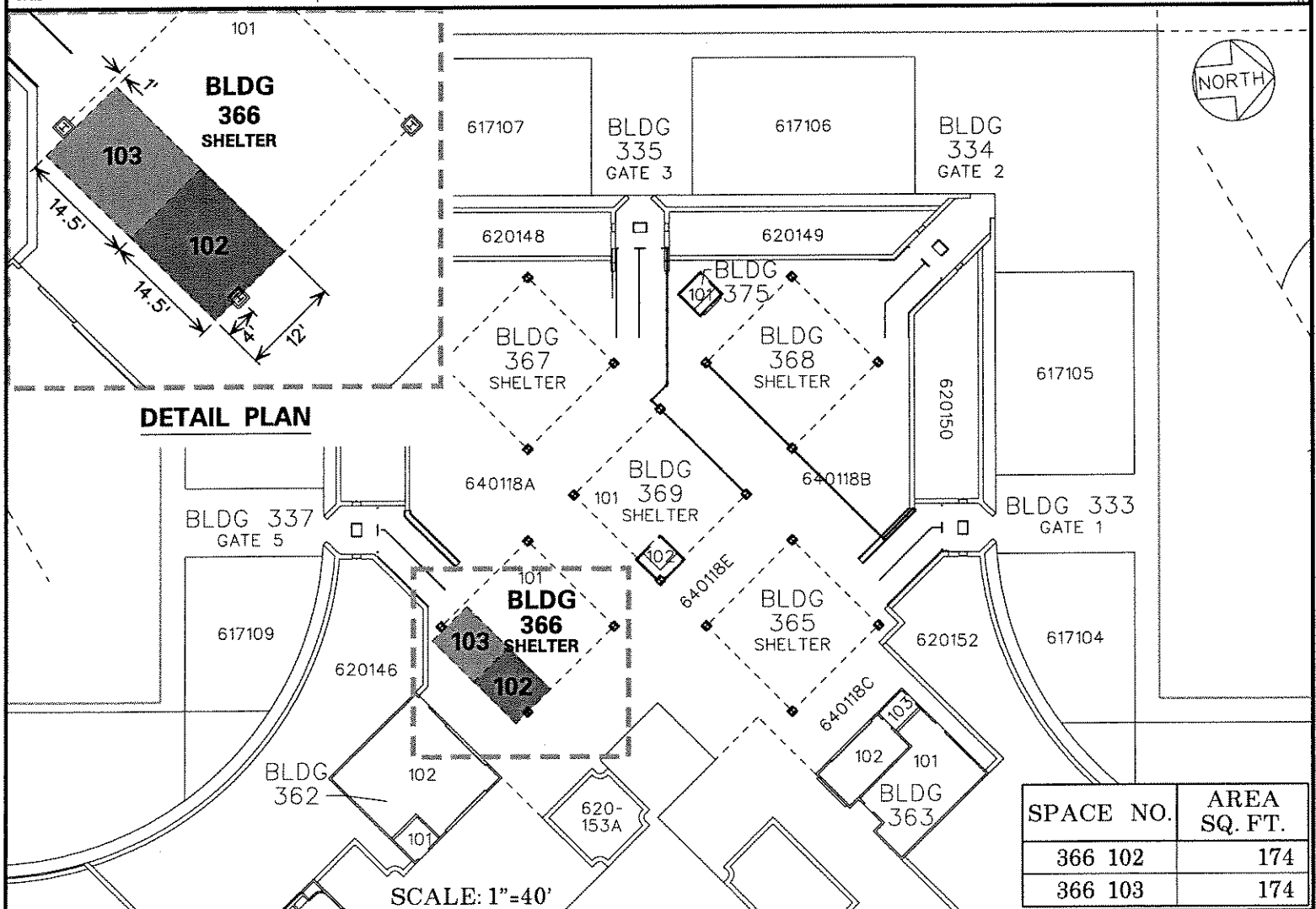
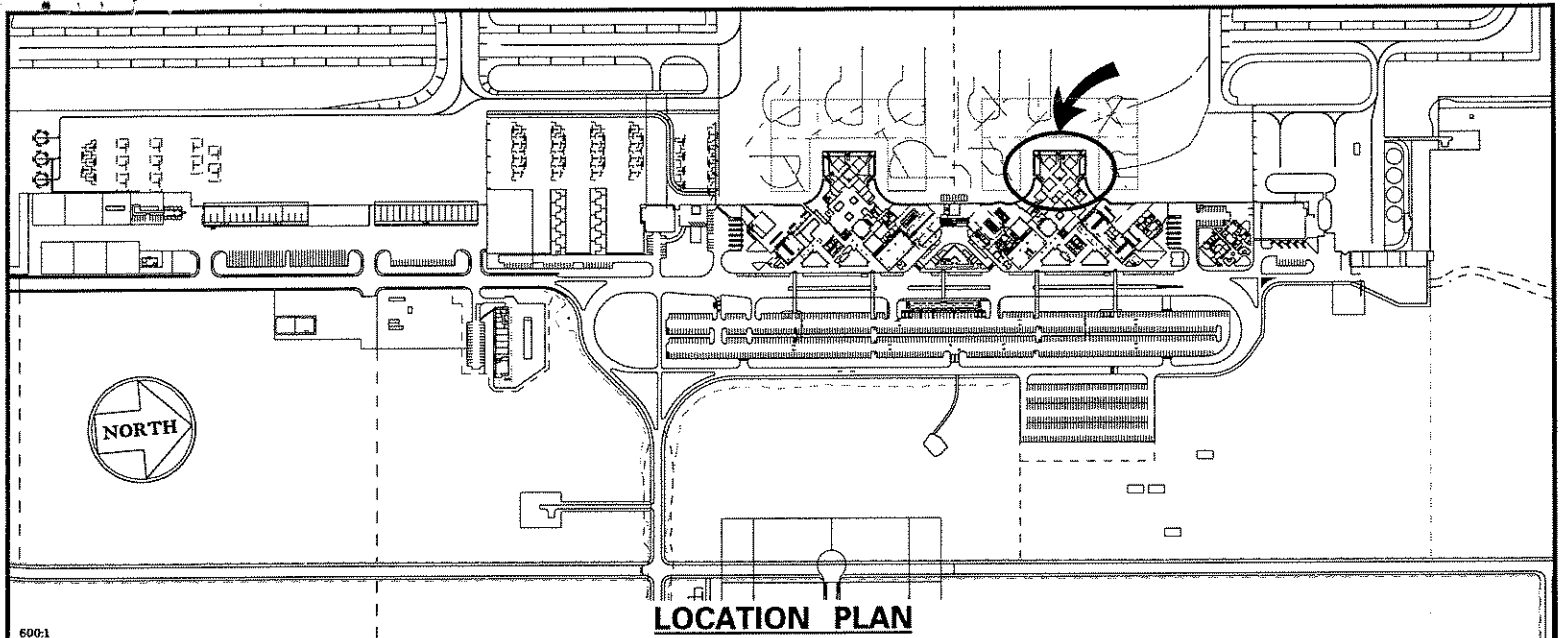
BLDG 345
SHELTER

345-102

PLATS D1, 39

KONA INTERNATIONAL AIRPORT AT KEAHOLE

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LEASE NO. DOT-A-05-0009

DATE: JULY 2006

EXHIBIT: **E-1**



Airports Division

TRAVEL TRADERS OF
HAWAII, INC.

BLDG 366
SHELTER

366-102,
366-103
PLATS E1, 38

KONA INTERNATIONAL AIRPORT AT KEAHOLE

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